

ARTICLE APPEARED
ON PAGE A-1

WASHINGTON POST
27 JULY 1980

Billy Feels Bugged

'You Can Hear Like a Click' On Georgia Mansion's Phones

By Peter Elkind and Art Harris

Washington Post Staff Writers

AMERICUS, Ga., July 26—Billy Carter telephones friends and lawyers these days from the lobby of the Best Western motel here because he believes, rightly or wrongly, that his older brother's government is wiretapping his home and office.

His telephones are "hot," Billy gripes, claiming that he has been shown transcripts of his own telephone conversations—made secretly, without his knowledge or consent.

Sybil Carter, in an interview with Washington Post staff writer Sally Quinn, agrees with her husband's suspicions.

"Our phones have both been tapped," she said today at the Carters' mansion in Buena Vista, Ga. "When you start a conversation, you can hear like a clicking noise. I'm sure it's the Justice Department."

"Several months ago, I had to have the number changed again to keep from being awakened in the middle of the night. An official from the phone company said, 'Mrs. Carter, do you still want this tap on your phone?' And I told him, 'If there is one there, we did not order it.'"

Billy Carter was said to have been shown transcripts of his phone conversations—reportedly made from his home and other places where he uses the telephone—by an unidentified friend, who claimed to have purchased the transcripts, but would not reveal from whom or what amount he had paid.

One transcript contained a conversation between one of his daughters and a friend named Patience, said Sybil Carter.

Justice Department officials denied that Billy Carter has been the subject of wiretaps. They said

neither a criminal nor national security tap was used on Carter.

In another matter, The Washington Post was told by a Plains, Ga., businessman this week that Billy Carter said a gleaming silver and leather ornamental saddle bestowed on him by the Libyans was worth about \$25,000. That is more than 10 times the estimated value Carter listed for it on government forms when he registered as a Libyan foreign agent.

Questioned a second time, the local businessman said he couldn't really remember what Carter had said about the saddle. But, published reports months ago placed its value at between \$7,500 and \$15,000, and Philip B. Heymann, head of the Justice Department's criminal division, said Friday that department officials "would think seriously about criminal prosecution" if they found Carter had knowingly falsified his registration statement.

Joel S. Lisker, chief of the foreign registration unit and the attorney who directed the Billy Carter inquiry, said he expects a supplemental filing from Carter and his attorneys after the gifts from Libya are appraised. Any willful misstatement in the registration could be considered a violation of federal law, punishable by a \$10,000 fine and up to five years in prison, he said.

The president's 43-year-old brother was forced to register as a Libyan agent after the Justice Department failed a lawsuit accusing him of taking "substantial compensation" for promoting the terrorist-prone regime of Libyan strongman Muammar Qaddafi.

In his foreign agent registration statement at the Justice Department, Billy Carter admitted getting \$220,000 from the Libyans, but described the payments as installments on a promised \$500,000 financial disclosure after his brother, the president, urged him to do so, having been advised by Attorney General Benjamin R. Civiletti

that Billy would probably not be prosecuted if he registered as an agent for Libya.

In March, U.S. intelligence sources found that the Libyans were engaged in an "across the board" attempt to influence White House policy toward their country and secure the release of eight C-130 prop-jets they purchased from Lockheed in the early 1970s.

Billy Carter and a group of Georgians were invited to Libya in August 1978 and are believed to have figured heavily in Libyan strategy. On that trip, Billy Carter was reportedly asked to represent Libya in its efforts to hurdle Washington policymaker's decisions barring the release of the planes Libya purchased for \$36 million. Sources have said that Billy promised to do his best.

In return, Carter and the group of Georgians believed they stood to make "tens of millions, a billion dollars" in commissions if they succeeded in setting up a corporation designed to promote Libyan American business, one trip participant has been quoted as saying.

If Billy Carter's charges of wiretapping are true, it would not be the first time a president's brother has been bugged. Richard Nixon ordered the Secret Service to tap the telephone of his brother, F. Donald Nixon, a businessman, for more than a year. The surveillance was based partly on concern over his involvement with the financial empire of billionaire Howard Hughes, who had made him a controversial loan of \$205,000. The loan was never repaid.

Billy Carter has refused to say what interest rates he expected to be charged or when the Libyan loan must be paid off.

It remains unclear how the Justice Department learned of the Libyan payments to Billy Carter, information it apparently used as leverage to force him to register as a foreign agent.

Staff writer Charles R. Babcock contributed to this article.